House Amendment 1403

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Amend House File 854 as follows:
   2 <u>#1.</u> Page 8, lines 28 and 29, by striking the words 3 <attached to the policy when> and inserting the
    4 following: <attached to the policy when issued or
   5 shall be>.
6 #2. Page 17, by striking lines 8 through 27 and 7 inserting the following: <the administrator may by
    8 rule require financial responsibility standards.>
1 9 #3. By striking page 36, line 22 through page 37, 1 10 line 1, and inserting the following:
         <Sec. <u>NEW SECTION</u>. 522B.17A
1 12 RELIEF.
          1. An association with at least twenty=five
  13
  14 insurance producer members may bring an action in
1 15 district court to enjoin a person from selling,
  16 soliciting, or negotiating insurance in violation of 17 section 522B.2. However, before bringing an action in
  18 district court to enjoin a person pursuant to this
  19 section, an association shall file a complaint with
  20 the insurance division alleging that the person is
1 21 selling, soliciting, or negotiating insurance in 1 22 violation of section 522B.2.
        2. If the division makes a determination to
  24 proceed administratively against the person for a
  25 violation of section 522B.2, the complainant shall not 26 bring an action in district court against the person
  27 pursuant to this section based upon the allegations
  28 contained in the complaint filed with the division.
  29
         3. If the division does not make a determination
  30 to proceed administratively against the person for a 31 violation of section 522B.2, the division shall issue,
  32 on or before ninety days from the date of filing of
  33 the complaint, a release to the complainant that
  34 permits the complainant to bring an action in district
  35 court pursuant to this section.
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         4. The filing of a complaint with the division
  37 pursuant to this section tolls the statute of
  38 limitations pursuant to section 614.1 as to the
  39 alleged violation for a period of one hundred twenty 40 days from the date of filing the complaint.
         5. Any action brought in district court by a
1 41
1 42 complainant against a person pursuant to this section,
  43 based upon the allegations contained in the complaint
  44 filed with the division, shall be brought within one
  45 year after the ninety=day period following the filing
46 of the complaint with the division, or the date of the
47 issuance of a release by the division, whichever is
  48 earlier.
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          6. If the court finds that the person is in
  49
  50 violation of section 522B.2 and enjoins the person
    1 from selling, soliciting, or negotiating insurance in
    2 violation of that section, the court's findings of
    3 fact and law, and the judgment and decree, when final,
   4 shall be admissible in any proceeding initiated 5 pursuant to section 522B.17 by the commissioner
   6 against the person enjoined and the person enjoined 7 shall be precluded from contesting in that proceeding
   8 the court's determination that the person sold,
   9 solicited, or negotiated insurance in violation of
  10 section 522B.2.>
  11 #4. By renumbering as necessary.
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2 15 HOFFMAN of Crawford 2 16 HF 854.201 81 2 17 av/sh/1985